

## HOUSE OF REPRESENTATIVES

STATE OF HAWAI STATE CAPITOL HONOLULU, HAWAII 96813

February 1, 2005

Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

RE: Support for Sandwich Isles Communications, Inc. Petition for Waiver, CC Docket No. 96-45

Dear Ms. Dortch:

Thank you for this opportunity to comment in support of the Sandwich Isles Communications, Inc. (SIC) Petition for Waiver, CC Docket No. 96-45. My name is Robert Herkes, and I am a member of the State House of Representatives in Hawai'i representing the very rural and remote Puna, Ka'u, South and North Kona district on the Big Island of Hawai'i. As a representative and resident of the area, I am intimately familiar with the unavailability and inadequacy of service provided by Verizon Hawai'i, Inc. (VHI and formerly GTE Hawaiian Tel), the incumbent local exchange carrier (ILEC) that existed in my district in the 1990s. Today, while we have basic services, the opportunity to access other services from the ILEC, especially those found in urban areas is still not available in parts of my district.

Numerous complaints by residents of Ka'u and other rural areas led to the passing of Act 80 by the State Legislature that directed the Hawai'i Public Utilities Commission (HPUC) to improve services in rural Hawai'i and, if necessary, authorize another telephone company to provide single party and other improved services that were only available in urban and more densely populated areas of the state. After proceedings that involved the HPUC's "less than adequate" service assessment in the rural areas, the HPUC issued an order for the ILEC to show cause as to why the HPUC should not authorize alternative telecommunications service providers for the rural areas. After determining that there was insufficient cause, the HPUC moved ahead to allow other carriers to seek authorization to serve the rural areas in Hawai'i. TelHawai'i, Inc. (THI) was selected in 1996 to serve the Ka'u area. Unfortunately for THI, it was not able to withstand three years of litigation with GTE who challenged THI's right to serve.

While we at the state legislature were changing laws and working through the HPUC to get better telephone service, the Department of Hawaiian Home Lands (DHHL) initiated its own efforts by issuing a license to Sandwich Isles. The state legislature is acutely aware of DHHL's constitutional autonomy and we applauded their efforts at resolving the same telephone problem. GTE ran THI out of business despite our efforts and we still have poor telephone service. Now they are trying to do the same to Sandwich Isles.

There is a high need for SIC to continue as a LEC on HHL. Without SIC, affordable access solutions would be unavailable to current and future residents of HHL. Although SIC cannot offer service outside of HHL, their presence has raised the service level bar for all telephone companies as citizens are no longer willing to accept excuses for poor service. On the reliance of the FCC's earlier granting of LEC status to SIC almost seven years ago, SIC has been connecting unserved HHL residents and laying a solid foundation to ensure that HHL residents will never again be without affordable, reliable and modern telecommunications services.

If SIC is not granted the waiver, the FCC will set Hawaii back to the detrimental monopoly situation that existed prior to the 1996 Telecom Act, in that the State of Hawai'i would be the only state to have and be dependent upon only one ILEC. The State of Hawai'i has already experienced the neglect of the rural areas in Hawai'i by the current and previous ILEC, VHI and GTE Hawaiian Tel, and we do not want to return there. Accordingly, I would like to strongly urge your approval of the SIC waiver petition, so that you do not reward prior ILEC neglect and cause major disruption to the progress made by SIC to achieve universal service for rural Hawai'i and HHL at the expense of SIC.

Thank you for this opportunity to comment in full support of the SIC petition, and I sincerely hope that you will do the right thing for the State of Hawai'i and not put HHL and rural Hawai'i at risk and at the mercy of a monopoly.

Sincerely,

Robert N. Herkes State Representative 5th District